

074 - TREASURER-TAX COLLECTOR

Operational Summary

Mission:

To provide efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts.

Strategic Goals:

- Manage and preserve the investment of all service recipient funds.
- To collect all property taxes for service recipients in accordance to applicable laws.

Key Outcome Measures:

Performance Measure	2001 Business Plan Results	2002 Business Plan Target	How are we doing?
NET INVESTMENT RETURN. What: Obtain a portfolio yield that meets or exceeds the 90-day US T-Bill and money market benchmarks. Why: To continue to provide safe, efficient and effective investment returns for our clients.	The Treasurer's Investment Management Committee is looking for interest rates to stabilize in the near future. The following yield projection should take us through the end of the current fiscal year: July 2001 - June 2002: 2.5%	Continue to exceed benchmarks.	On target.
ADMINISTRATION FEE CHARGED TO POOL PARTICIPANTS. What: To charge the lowest administration fee possible. Why: To provide a modest investment return to pool participants with minimum administrative costs.	Administration fee to remain at 12.50 basis points (i.e., 0.125%).	Administration fee to remain at 12.50 basis points (i.e., 0.125%).	On target.
RATING OF INVESTMENT POOL. What: Maintain highest rating. Why: To assure safest money market practices are being followed.	Obtained AAA/V1+ ratings.	Maintain AAA/V1+ rating.	On target.
STATE PROPERTY TAX COLLECTION RATES FOR SECURED AND UNSECURED PROPERTY. What: Exceed State property tax collection rates for secured & unsecured prop by minimizing unpaid taxes. Why: To maximize collections in property taxes for service recipients and County General Fund.	To continue to exceed the State median. We anticipate a small decrease in collection percentages due to the current economic slowdown.	To maintain high collection rankings and percentages.	On target.

At a Glance:

Total FY 2001-2002 Projected Expend + Encumb:	9,500,144
Total Recommended FY 2002-2003 Budget:	10,843,446
Percent of County General Fund:	0.44%
Total Employees:	92.00

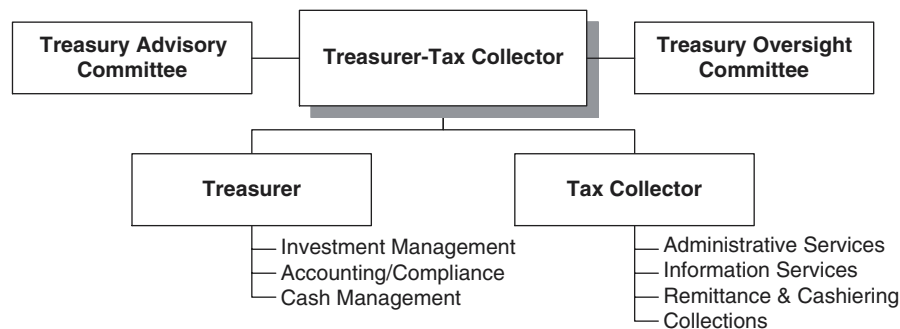
Key Outcome Measures: (Continued)

Performance Measure	2001 Business Plan Results	2002 Business Plan Target	How are we doing?
INVESTED CASH POSITION (PERCENT OF AVAILABLE FUNDS INVESTED). What: Maintain a maximum invested cash management position. Why: To enhance portfolio returns on invested cash by minimizing idle funds.	For FY 2000-2001, the average invested cash for the County was 99.83% and 99.85% for the Department of Education. However, for FY 2001-2002, the percent invested should increase due to enhanced service offered by our new bank.	The percent invested should approach 100% due to the closure of old bank accounts where funds could not be fully invested.	On target.

Fiscal Year FY 2001-2002 Key Project Accomplishments:

- Completed the conversion of banking services provider from Bank of America to Wells Fargo Bank.
- Completed the conversion from Novell Perfect Office to Microsoft Office.
- Completed the procurement and implementation phases of the Treasury Management System.
- Implemented several website property tax enhancements to reduce costs and improve public service.
- Introduced a new electronic media payment option for title companies and tax service companies to reduce processing costs for exception payments.
- Obtained AAA/V1+ ratings on both the County Investment Pool and the Educational Investment Pool.
- Virtual Timesheets to be implemented before the end of this fiscal year.

Organizational Summary



TREASURER-TAX COLLECTOR - Provides centralized treasury and tax collection services for the County of Orange.

TREASURER - Responsible for the receipt, custody, depository, investment, and recording of funds for the County, school districts, and special districts. Responsibilities also include issuance of short-term debt on behalf of the County and school districts. In addition, this office acts as trustee in connection with unclaimed property and is responsible for the issuance, billing, collection, redemption, and foreclosure of improvement bonds.

Investment Management: Provide portfolio management, broker/dealer relations, investment/economic research, liaison for oversight committees, and custody relation services.

Cash Management: Provide bank-related services and relationship management, cash optimization and forecasting, and financial electronic commerce solutions.

Accounting/Compliance: Provide financial reporting, fund accounting, general ledger reconciliations, bank reconciliations, investment accounting and compliance services, and defined benefit plan administration.

TAX COLLECTOR - Responsible for collecting taxes on all secured and unsecured property in Orange County. In addition, this office is responsible for the sale of property subject to the "power to sell," formerly known as delinquent tax deeded property. As well as collecting Annual Racehorse Taxes, Transient Occupancy Taxes, and Public Defender judgments, the Tax Collector also provides remittance processing services, information system services, and departmental administrative support.

Collections: Provide centralized tax compliance services for delinquent unsecured tax collections, prior year secured property tax collections, public defender judgment collections, public information services, property tax problem payment processing, and general correspondence.

Remittance & Cashiering: Provide automated remittance processing for all property tax rolls, refund accounting, tax roll accounting, and cashiering for the Treasurer.

Administrative Services: Provide tax roll reconciliations, purchasing, contract administration, human resources, payroll services, budget, facility operations, telephone, and network services for the Treasurer and Tax Collector Offices.

Information Services: Provide systems development and maintenance support for numerous Treasurer-Tax Collector applications required for the depositing, accounting, and collecting of funds.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Since 1993-94, our department's staffing level has only changed by a net of four positions, and no additional positions have been requested for Fiscal Year 2002-2003.
- Despite the modest increase in staffing during this time, as workloads have continued to grow (the number of real property tax bills increased from 717,000 to 770,000), our department has continued to excel in providing efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts, as evidenced by the following:
- The highest rating (AAA/V1+) for the investment pools continues to be maintained.
- Collection percentage ratings for the Secured and Unsecured tax rolls continue to exceed the state median.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Treasurer-Tax Collector will continue to pursue all major year 2002 service plan goals in support of County strategic priorities. We will continue to provide an effective, responsive, and competitive organizational and operating structure. Staff will work diligently to meet our core business

responsibilities of collecting and investing while supporting the successful implementation of new corporate programs. We will work diligently to implement both the organizational performance measurement program (ROG) and the employee pay for performance program (PIP).

Changes Included in the Recommended Base Budget:

The Fiscal Year 2002-2003 will see several of our Business Plan initiatives reflected in our proposed budget. The significant cost items are: (a) Increase in Salaries and Employee Benefits by \$691,629 to enable us to attract and retain staff who are committed to maintain high standards of public service; and (b) Increase in Services and Supplies by \$300,000 to retain legal counsel for the "Two Percent Assessment Appeals Case on Secured Property Taxes."

Proposed Budget and History:

Sources and Uses	FY 2000-2001 Actual	FY 2001-2002 Final Budget	FY 2001-2002 Projected ⁽¹⁾	FY 2002-2003 Recommended	Change from FY 2001-2002 Projected	
					Amount	Percent
Total Positions	-	92	-	92	0	0.00
Total Revenues	6,593,725	7,556,894	6,743,117	7,324,597	581,480	8.62
Total Requirements	8,974,158	10,316,849	9,666,662	10,843,446	1,176,783	12.17
Net County Cost	2,380,433	2,759,955	2,923,545	3,518,849	595,303	20.36

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2001-2002 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Treasurer-Tax Collector in the Appendix on page 579.

Highlights of Key Trends:

- We are an administrative function that is task-oriented. We expect our investment results to consistently outperform our benchmarks. We will continue to pro-

vide our constituents with efficient and effective investment, cash management and property tax collections services.

Budget Units Under Agency Control

No.	Agency Name	Treasurer-Tax Collector	Treasurer	Tax Collector	Total
074	Treasurer-Tax Collector	393,985	3,543,840	6,905,621	10,843,446
107	Remittance Processing Equipment Replacement	715,529	0	0	715,529
	Total	1,109,514	3,543,840	6,905,621	11,558,975